

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

ROBERT C. HEINEMANN  
CLERK OF COURT  
BROOKLYN OFFICE  
225 CADMAN PLAZA, EAST  
BROOKLYN, N.Y. 11201

02-20637-cr MOOR  
August 14, 2002

FILED by \_\_\_\_\_ D.C.  
**AUG 21 2002**  
CLARENCE MADDOX  
CLERK U.S. DIST. CT.  
S.D. OF FLA. MIAMI

TO: U.S. District Court,  
Carlos K. Juenke, Clerk  
Southern District of Florida  
Federal Courthouse Square  
301 North Miami Avenue  
Miami, FL 33128

RE: UNITED STATES vs. Lawrence M. Gallo  
MAGISTRATE DOCKET # 02-M-1436

Dear Sir:

Enclosed, please find a certified copies of our entire file and docket sheet in the above captioned Rule 40 Removal proceeding.

Please acknowledge receipt of the above-referenced documents by signing below, where indicated, and returning a copy of this letter to this office.

Respectfully,

Robert C. Heinemann  
Clerk of Court  
By: *Kassandra Perez*  
Kassandra L. Perez  
Magistrate Clerical

RECEIPT ACKNOWLEDGED  
Carlos K. Juenke, Clerk  
By \_\_\_\_\_

A TRUE COPY  
ATTEST  
DATED 8/14/02  
ROBERT C. HEINEMANN  
By: *Kassandra Perez* CLERK  
15

INITIAL APPEARANCE CALENDAR

02-1436M 02-1436M

- 1) Magistrate Case Number: \_\_\_\_\_  
2) Defendant's Name: Gallo, Lawrence (Last) (First) (M.I.)  
3) Age: \_\_\_\_\_  
4) Title: \_\_\_\_\_ Section(s): \_\_\_\_\_  
5) Citizen of: \_\_\_\_\_ Needs: \_\_\_\_\_ Interpreter  
6) Arrest Warrant Issued: \_\_\_\_\_ Date and time of arrest: \_\_\_\_\_

(Items 1-6 to be completed by AUSA/Arresting Officer)

- 7) Removal Proceeding:  Yes  No Other District: S.D. of Florida  
8) Name of Interpreter used today: \_\_\_\_\_ Language: \_\_\_\_\_  
9) Arraignment on complaint held:  Yes  No Date/Time: 8/13/02  
10) Detention Hearing Held:  Bail set at: \$300,000 ROR Entered: \_\_\_\_\_ POD Entered: \_\_\_\_\_  
11) Temporary Order of Detention Entered: \_\_\_\_\_ Bail Hearing set for: \_\_\_\_\_  
12) (a) Preliminary Hearing set for: \_\_\_\_\_; or waived: \_\_\_\_\_  
(b) Removal Hearing set for: \_\_\_\_\_; or waived:   
(c) Status Conference set for: \_\_\_\_\_  
13) ASSISTANT U.S. ATTORNEY: Ken Beeen  
14) DEFENSE COUNSEL'S NAME: Dawn Newman  
Address: \_\_\_\_\_  
Bar Code: \_\_\_\_\_ CJA:  PDA: \_\_\_\_\_ RET: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
15) ESR Tape #: 02/201 (34107-388)  
16) Other Comments/Rulings: Suspect advised of the obligations  
of signing the bond. Dft given bail warnings.

- 17) Complaint/Affidavit/Indictment unsealed:  Yes  No

SO ORDERED ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_

A TRUE COPY	
ATTEST	
DATED <u>8/14/02</u>	
ROBERT C. HEINEMANN	
P.M. <u>Alexandre Perez</u> CLERK	
DEPUTY CLERK	

UNITED STATES MAGISTRATE JUDGE

UNITED STATES OF AMERICA

ORDER SETTING CONDITIONS  
OF RELEASE AND BOND

V.

Case No.: QSN 1436

Lawrence Gallo  
Defendant

RELEASE ORDER

It is hereby ORDERED that the above-named defendant be released as follows, subject to the Standard Conditions of Bond on the reverse and:

- [ ] Upon Personal Recognizance Bond on his/her promise to appear at all scheduled proceedings as required, or  
 [ ] Upon Unsecured Bond executed by defendant in the amount of \$ \_\_\_\_\_, or  
 [  ] Upon Secured Appearance Bond as provided herein. \$ 300,000

Additional Conditions of Release

Upon finding that release under the standard conditions detailed on the reverse will not by themselves reasonably assure the appearance of the defendant and the safety of other persons and the community, IT IS FURTHER ORDERED that the defendant is subject to the following additional conditions of release:

1. The defendant must remain in and may not leave the following areas without Court permission: New York State + Florida
- [ ] 2. The defendant shall avoid all contact and not associate with any of the following persons or entities: \_\_\_\_\_
- [ ] 3. The defendant shall avoid and not go to any of the following locations: \_\_\_\_\_
- [  ] 4. The defendant shall surrender any and all passports to the U.S. Pretrial Services Agency by \_\_\_\_\_ and shall not apply for any other passport.
- [  ] 5. Defendant is placed under the express supervision of the Pretrial Services Agency, subject to the Special Conditions on the reverse, if applicable, and [ ] is subject to random visits by a Pretrial Services officer at defendant's home and/or place of work;
- [  ] must report to that agency ( ) in person \_\_\_\_\_ times per \_\_\_\_\_ and/or ( ) by telephone \_\_\_\_\_ times per week;
- [ ] is subject to home detention with electronic monitoring with the following conditions: \_\_\_\_\_

[ ] must undergo [ ] random drug testing [ ] evaluation and/or [ ] treatment for: [ ] substance abuse [ ] alcoholism [ ] mental health problems.  
 [ ] must pay the cost of treatment and/or electronic monitoring by with personal funds and/or insurance.

- [ ] 6. Other Conditions: Appear \_\_\_\_\_ on August 20, 2002 before the Duty Registrar in the Southern District of Florida

APPEARANCE BOND

The undersigned defendant and sureties jointly and severally acknowledge that I/we and my/our personal representatives, jointly and severally, are bound to pay to the United States of America the sum of \$ 300,000. The undersigned agree(s) that this obligation is secured with his/her/their interest in the following property ("Collateral") which he/she/they represent is/are free and clear of liens except as otherwise indicated:

- [ ] cash deposited in the Registry of the Court the sum of \$ \_\_\_\_\_  
 [  ] premises located at: 130-91 Street, Brooklyn, NY 11209 owned by Richard Leto  
 [ ] I/We also agree to execute a confession of judgment in form approved by the U.S. Attorney which shall be duly filed with the proper local and state authorities on or before \_\_\_\_\_

[ ] Other Conditions:

*Richard Leto*  
Richard Leto  
Surety

Address: 130-91 Street, BKI

Surety

Address: \_\_\_\_\_

Surety

Address: \_\_\_\_\_

A TRUE COPY

ATTEST

DATED 18/9/02

ROBERT C. HEINEMANN

CLERK

BY *Alessandra Perez*  
DEPUTY CLERK

The Court has advised the defendant of the conditions of release per 18:3142(h)(1) and (h)(2). This bond is conditioned upon the appearance of the defendant and is subject to the Standard Conditions of Bond set forth on the reverse. If the defendant fails to appear as ordered or notified, or any other condition of this bond is not met, this bond shall be due forthwith.

I acknowledge that I am the defendant in this case and that I am aware of the conditions of release. I promise to obey all conditions of release, to appear as directed, and to surrender for service of any sentence imposed. I am aware of the penalties and sanctions set forth on the reverse of this form.

Release of the Defendant is hereby ordered on Aug. 13, 2002

Distribution

White-Original

Canary - Courtroom Deputy

Pink - Pretrial Services

Goldenrod - Defendant



## UNITED STATES DISTRICT COURT

EASTERN

DISTRICT OF

NEW YORK

UNITED STATES OF AMERICA

v.

Lawrence Gallo

WAIVER OF RULE 40 HEARINGS  
(Excluding Probation Cases)

CASE NUMBER: 02M1436

I, Lawrence Gallo, understand that in the  
Southern District of Florida, charges are pending  
alleging violation of 18 U.S.C. SEC. 371 and that I have been  
arrested in this District and taken before a United States Magistrate Judge who informed me of the charge and of my right  
to:

(1) retain counsel or request the assignment of counsel if I am unable to retain counsel, (2) request transfer of the proceedings  
to this district pursuant to Rule 20, Fed. R. Crim. P., in order to plead guilty, (3) an identity hearing to determine if I am the  
person named in the charge, and (4) a preliminary examination (unless an indictment has been returned or an information  
filed) to determine whether there is probable cause to believe an offense has been committed by me, the hearing to be held  
either in this district or the district of prosecution.

I HEREBY WAIVE (GIVE UP) MY RIGHT TO A(N):

- identity hearing
- preliminary examination
- identity hearing and have been informed I have no right to a preliminary examination
- identity hearing but request a preliminary examination be held in the prosecuting district

and, therefore, consent to the issuance of an order requiring my appearance in the prosecuting district where the charge is  
pending against me.

A TRUE COPY

ATTEST	8/14/02
DATED	2002
ROBERT C. HEINEMANN	
<i>Alexandre Perez</i>	
CLERK	DEPUTY CLERK

Lawrence Gallo  
Defendant

8/13/02  
Date

Alexandre Perez  
Defense Counsel



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
CASE NO.: 02-20637-CR-MOORE

UNITED STATES OF AMERICA,

Plaintiff,

v.

DOUGLAS RASBERRY,

Defendant.

**NOTICE OF APPEARANCE**

COMES NOW STEVE ROSSI, ESQUIRE, a member of the Bar of this Court in good standing, and enters this his Notice of Appearance as counsel for the above-named Defendant, DOUGLAS RASBERRY.

Pursuant to Local Rule 88.7, entitled Retained Criminal Defense Attorneys, the Court is advised that this appearance is for trial only.

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by first-class United States mail, postage pre-paid, to Eric Bustillo, Esquire, Assistant United States Attorney, United States Attorney's Office, 99 N.E. 4<sup>th</sup> Street, Miami, FL 33132-2111, this 21 day of August, 2002.

Respectfully submitted,

LAW OFFICES OF  
BRAVERMAN AND ROSSI  
Attorneys for Defendant  
625 N.E. 3rd Avenue  
Ft. Lauderdale, FL 33304  
(954) 524-0505, ext. 203

By:

STEVE ROSSI, ESQ.  
Fla. Bar No. 0745898

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
CASE NO.: 02-20637-CR-MOORE

UNITED STATES OF AMERICA,

Plaintiff,

v.

DOUGLAS RASPBERRY

Defendant.

**NOTICE OF APPEARANCE**

COMES NOW BRUCE H. FLEISHER, ESQUIRE, a member of the Bar of this Court in good standing and enters this his **Notice of Appearance as co-counsel** for the above named Defendant DOUGLAS RASPBERRY.

Pursuant to Local Rule 88.7, entitled **Retained Criminal Defense Attorney**, the Court is advised that this appearance is for **trial only**.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY a true and accurate copy of this foregoing Motion was furnished via U.S. Mail this 19<sup>th</sup> day of August, 2002 to: Eric Bustillo, Esquire, Assistant United States Attorney, United States Attorney's Office, 99 N.E. 4<sup>th</sup> Street, Miami, Florida 33132-2111 and Steve Rossi, Esquire, 625 N.E. 3<sup>rd</sup> Avenue, Fort Lauderdale, Florida 33304-2617.

Respectfully submitted,

BRUCE H. FLEISHER, P.A.  
Bayview Plaza  
3225 Aviation Avenue  
Suite 300  
Coconut Grove, Florida 33133  
Office: (305) 859-7999  
Facsimile: (305) 285-0699

By:

  
BRUCE H. FLEISHER, ESQUIRE  
Florida Bar No.: 166952

CLOSED

U.S. District Court  
New York Eastern (Brooklyn)

CRIMINAL DOCKET FOR CASE #: 02-M -1436-ALL

USA v. Gallo  
Dkt# in other court: None

Filed: 08/14/02

Case Assigned to: Magistrate A. Simon Chrein

LAWRENCE W. GALLO (1)  
defendant

Donna R. Newman  
[COR LD NTC cja]  
121 West 27th Street  
Suite 1103  
New York, NY 10001  
(212) 229-1516

Pending Counts:

NONE

Terminated Counts:

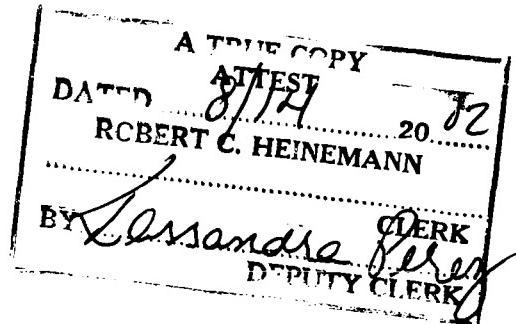
NONE

Complaints Disposition

Removal to Southern District  
of Florida

U. S. Attorneys:

NONE



Proceedings include all events.

1:02m 1436-ALL USA v. Gallo

CLOSED

- 8/13/02 -- ARREST of Lawrence W. Gallo (kp) [Entry date 08/14/02]
- 8/13/02 2 Magistrate Arraignment as to Lawrence W. Gallo held before Judge Chrein. AUSA Ken Breen. Tape #02/201(3467-3888) Removal to Southern District of Florida. (Defendant informed of rights.) (kp) [Entry date 08/14/02]
- 8/13/02 3 Secured Appearance BOND entered by Lawrence W. Gallo in Amount \$ 300,000 ( Signed by Magistrate A. S. Chrein , dated 8/13/02) (kp) [Entry date 08/14/02]
- 8/13/02 4 CJA 20 as to Lawrence W. Gallo : Appointment of Attorney Donna R. Newman ( Signed by Magistrate A. S. Chrein , Dated 8/13/02) (kp) [Entry date 08/14/02]
- 8/13/02 5 WAIVER of Rule 40 Hearings by Lawrence W. Gallo (kp) [Entry date 08/14/02]
- 8/13/02 -- RULE 40 transfer to District of Southern Florida certified copy of file and docket sheet sent on 8/13/02 (kp) [Entry date 08/14/02]
- 8/14/02 1 COMPLAINT as to Lawrence W. Gallo (kp) [Entry date 08/14/02]

02-1436M

AJH:KMB  
GALLO.REM

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

- - - - - X

UNITED STATES OF AMERICA

- against -

LAWRENCE W. GALLO,

A TRUE COPY  
ATTEST  
DATED 8/24/02  
ROBERT C. HEINEMANN  
CLERK  
BY Alessandra Peters  
DEPUTY CLERK

REMOVAL TO THE SOUTHERN

DISTRICT OF FLORIDA

(Fed. R. Crim. P. 40)

Defendant.

- - - - - X

EASTERN DISTRICT OF NEW YORK, SS:

KURT DENGLER, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI"), duly appointed according to law and acting as such.

Upon information and belief, on or about July 30, 2002, an arrest warrant was issued by the United States District Court for the Southern District of Florida for the defendant LAWRENCE W. GALLO, after he was indicted by a grand jury there, on or about July 30, 2002, for mail fraud, in violation of Title 18, United States Code, Section 1343, wire fraud, in violation of Title 18, United States Code, Section 1341, securities fraud, in violation of Title 5, United States Code, Sections 78(j) and 78ff, conspiracy to commit securities, mail and wire fraud, in violation of Title 18, United States Code, Section 371, and money laundering, in violation of Title 18, United States Code, Section 1956(a)(2)(A).

①

The sources of your deponent's information and the grounds for your deponent's belief are as follows:

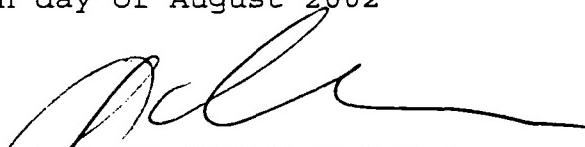
1. A copy of the Warrant for Arrest, dated July 30, 2002, is attached to this affidavit and incorporated by reference. The arrest warrant was issued in the Southern District of Florida for the defendant LAWRENCE W. GALLO, after he was indicted by a grand jury there, on or about July 30, 2002, for wire fraud, mail fraud, securities fraud, conspiracy to commit wire, mail and securities fraud, and money laundering. A copy of the Indictment is attached to this affidavit and incorporated by reference.

2. On August 13, 2002, the undersigned and other FBI Special Agents arrested the defendant LAWRENCE W. GALLO at his home in Brooklyn. At the time of his arrest, the defendant acknowledged that his name is Lawrence W. Gallo and asked whether his arrest had anything to do with "Raspberry." Douglas Raspberry is charged together with the defendant in the indictment.

WHEREFORE, I respectfully request that the defendant  
LAWRENCE W. GALLO be dealt with according to law.

  
\_\_\_\_\_  
KURT DENGLER  
Special Agent  
Federal Bureau of Investigation

Sworn to before me this  
13th day of August 2002

  
\_\_\_\_\_  
UNITED STATES MAGISTRATE JUDGE  
EASTERN DISTRICT OF NEW YORK

FBI 678443

## United States District Court

SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

v.  
 DOUG RASBERRY,  
 MICHAEL VLAHOVIC, and  
 LAWRENCE B. GALLO

To: The United States Marshal  
 and any Authorized United States Officer

## WARRANT FOR ARREST

02-20637 CR-MOORE

CASE NUMBER:

MAGISTRATE JUDGE  
 O'SULLIVAN

YOU ARE HEREBY COMMANDED to arrest

LAWRENCE B. GALLO

Name

and bring him or her forthwith to the nearest magistrate judge to answer a(n)

Indictment  Information  Complaint  Order of court  Violation Notice  Probation Violation Petition

charging him or her with (brief description of offense)  
 CONSPIRACY TO COMMIT WIRE, MAIL AND SECURITIES FRAUD

RECEIVED  
 UNITED STATES MARSHAL  
 JUL 31 PM 12:20  
 SOUTHERN DISTRICT OF  
 FLORIDA  
 WARRANTS

in violation of Title

18

United States Code, Section(s)

371

Court Administrator • Clerk of Court

Title of Issuing Officer

07/30/02, MIAMI, FL

Date and Location

Clarence Maddox

Name of Issuing Officer

Signature of Issuing Officer

Bail fixed at \$

200,000.00

by

STEPHEN T. BROWN

Name of Judicial Officer

## RETURN

This warrant was received and executed with the arrest of the above-named defendant at

DATE RECEIVED

NAME AND TITLE OF ARRESTING OFFICER

SIGNATURE OF ARRESTING OFFICER

DATE OF ARREST

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

02-20637 CR-MOORE

CASE NO.

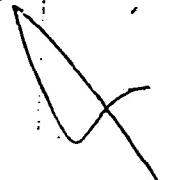
18 U.S.C. § 1956(a)(2)(A)  
18 U.S.C. § 1346  
18 U.S.C. § 1343  
18 U.S.C. § 1341  
18 U.S.C. § 371  
18 U.S.C. § 2  
15 U.S.C. § 78j(b)  
17 C.F.R. § 240.10b-5

MAGISTRATE JUDGE  
O'SULLIVAN

RECEIVED  
U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
WARRANTS

02 JUL 30 PM 4:45

THE DAY



UNITED STATES OF AMERICA )  
v. )  
DOUGLAS RASBERRY, )  
a/k/a "Doug Rasberry," )  
MICHAEL VLAHOVIC )  
and )  
LAWRENCE W. GALLO, )  
Defendants. )

INDICTMENT

The Grand Jury charges that:

COUNT 1

CONSPIRACY TO COMMIT WIRE, MAIL AND SECURITIES FRAUD

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

1. Uncommon Media Group, Inc. ("UMDA") was a Florida corporation with its principal place of business in New York, New York. The common stock of UMDA was publicly traded in the United States on the over-the-counter market. UMDA was purportedly in the business of providing "Crossover Media" solutions and services to traditional advertisers, consumers and suppliers by using a combination of new economy tools, software and real-time Internet interaction.

2. UMDA was an over-the-counter bulletin board ("OTCBB") stock with approximately 30 million outstanding shares. The OTCBB is a market for equity securities traded over-the-counter that are neither listed on NASDAQ nor on a primary national securities exchange.

3. Defendant **DOUGLAS RASBERRY** owned and controlled a significant amount of UMDA stock through offshore corporate nominees.

4. Defendant **MICHAEL VLAHOVIC** owned and controlled a significant amount of UMDA stock through offshore corporate nominees.

5. Defendant **LAWRENCE W. GALLO** was Chairman, Chief Executive Officer and Director of UMDA. He was also a significant shareholder of UMDA.

6. An agent of the Federal Bureau of Investigation, acting in an undercover capacity (the "UCA"), posed as a corrupt securities trader employed by Connelly & Williams Associates, Inc. ("Connelly & Williams"), the United States-based representative of a fictitious foreign mutual fund ("the Fund") that had a number of investors who had invested millions of dollars. In his role as an undercover agent, the UCA claimed that he worked at Connelly & Williams with two due diligence officers whose job was to research and approve which securities the UCA would be allowed to purchase through Connelly & Williams on behalf of the Fund's investors. The UCA also claimed that a purported manager of the Fund was corrupt and had knowledge of the UCA's corrupt activities concerning the Fund.

7. Two cooperating witnesses (collectively, the "CWs") also assisted in the undercover operation, posing as corrupt stock promoters who presented prospective stock purchase deals to the Fund through the UCA.

#### THE CONSPIRACY

8. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,  
a/k/a "Doug Rasberry,"  
MICHAEL VLAHOVIC  
and  
LAWRENCE W. GALLO,**

did knowingly and willfully combine, conspire, confederate and agree with each other and with others known and unknown to the Grand Jury, to commit certain offenses against the United States, namely:

- a. wire fraud, in violation of Title 18, United States Code, Sections 1343 and 1346;
- b. mail fraud, in violation of Title 18, United States Code, Sections 1341 and 1346; and
- c. securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

**PURPOSES AND OBJECTS OF THE CONSPIRACY**

9. It was the purpose and object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the Fund through paying undisclosed kickbacks to the UCA, CWS, a purported corrupt Fund manager and two purported due diligence officers of Connelly & Williams, in exchange for their causing the Fund to purchase a large amount of overpriced UMDA stock from the defendants. It was also the purpose and object of the conspiracy for the defendants to unjustly enrich themselves by defrauding the public shareholders of UMDA by artificially affecting the supply and demand for UMDA stock in order to inflate the market price of such stock through illegal means.

**MANNER AND MEANS OF THE CONSPIRACY**

The manner and means by which the defendants sought to accomplish the objects of the conspiracy included, among others, the following:

10. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to pay undisclosed kickbacks to the UCA and others at the Fund to violate their fiduciary obligations by buying a large amount of overpriced UMDA stock from the defendants with the Fund's money.

11. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to pay 45% of the purchase price as an undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund to induce the Fund to purchase approximately \$8,000,000 to \$10,000,000 of overpriced UMDA stock rather than shares of another company's stock.

12. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to sell approximately 2,000,000 - 2,500,000 shares of UMDA stock at \$4.00/share (totaling \$8,000,000-\$10,000,000) to Connelly & Williams, on behalf of the Fund. At the time, the prevailing market price of UMDA stock was approximately \$2.60/share. The source of the UMDA shares was to be various nominee offshore companies controlled by defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC**. The Fund was to purchase these shares in three separate transactions.

13. Defendants **DOUGLAS RASBERRY, MICHAEL VLAHOVIC** and **LAWRENCE W. GALLO** agreed to arrange for the UCA, CWs and a purported corrupt manager of the Fund to receive 45% of the \$8,000,000 to \$10,000,000 in proceeds from the Fund's UMDA stock purchase, representing the agreed to undisclosed kickback portion of the proceeds from the UMDA stock deal.

14. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to enlist

securities brokers, through the CWs and the UCA, to assist in artificially increasing the market price of UMDA stock by making illegal payments to securities brokers who would recommend and sell shares of UMDA stock to their customers rather than shares of another company's stock.

15. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to provide defendant **LAWRENCE W. GALLO** with a portion of their proceeds from the sale of their UMDA shares to the Fund to be used by defendant **LAWRENCE W. GALLO** for UMDA corporate purposes, as well as for his personal benefit.

16. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to complete a "test" trade of a smaller amount of UMDA stock in order to get UMDA placed on the Fund's list of stocks approved for purchase, which then would allow the UCA to execute the larger \$8,000,000 to \$10,000,000 UMDA stock trade at a later date.

17. As part of this "test" trade, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to sell to the Fund, through a Connelly & Williams securities brokerage account, 7,600 shares of UMDA stock at \$2.60/share (totaling \$19,760), and send an undisclosed kickback payment of \$20,000 to the UCA for further transfer to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

#### OVERT ACTS

In furtherance of the conspiracy and to achieve the objects thereof, at least one of the co-conspirators committed or caused to be committed, in the Southern District of Florida and elsewhere, at least one of the following overt acts, among others:

18. On or about December 12, 2000, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** proposed to the UCA and CWs that the Fund purchase approximately 2,000,000 - 2,500,000 shares of UMDA stock at a total cost of

approximately \$8,000,000 to \$10,000,000, in exchange for payment of an undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund totaling approximately 45% of the purchase price. Defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** also proposed enlisting securities brokers to assist in artificially increasing the market price of UMDA stock by making illegal payments to securities brokers who would recommend and sell shares of UMDA stock to their customers rather than shares of another company's stock.

19. On or about December 18, 2000, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** proposed to the UCA and CWs that securities brokers commence the manipulation of the market price of UMDA stock prior to the Fund's large purchase of UMDA shares.

20. On or about January 2, 2001, defendant **DOUGLAS RASBERRY** met with the UCA and CWs to discuss all aspects of the UMDA stock purchase deal by the Fund, including the enlisting of securities brokers who were to artificially affect the supply and demand for UMDA stock in order to inflate the market price of such stock through illegal means.

21. On or about January 8, 2001, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** placed an international telephone call to the UCA and CWs during which they agreed to send to the UCA and CWs two (2) UMDA stock certificates representing 50,000 shares each to be used to illegally pay off securities brokers for manipulating the market price of UMDA stock.

22. On or about January 16, 2001, during an international telephone call, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** agreed to perform a "test" trade involving the Fund's purchase of 7,600 shares of UMDA stock at \$2.60/share and the subsequent undisclosed kickback payment of \$20,000 to the UCA for further transfer to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

23. On or about January 17, 2001, defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** wire-transferred \$20,000 to a bank account of the UCA which represented the undisclosed kickback payment, in connection with the "test" trade, to be provided to the two purported due diligence officers of Connelly & Williams in exchange for their placing UMDA stock on the Fund's list of stocks approved for purchase.

24. On or about January 18, 2001, during an interstate telephone call, defendant **LAWRENCE W. GALLO** discussed with the UCA and CWs the Fund's purchase of approximately \$8,000,000 to \$10,000,000 of UMDA stock from defendants **DOUGLAS RASBERRY** and **MICHAEL VLAHOVIC** in exchange for payment of a 45% undisclosed kickback to the UCA, CWs and a purported corrupt manager of the Fund. Defendant **LAWRENCE W. GALLO** confirmed his knowledge and approval of this transaction and advised that he had an agreement with defendant **DOUGLAS RASBERRY** pursuant to which defendant **DOUGLAS RASBERRY** was to provide him with a portion of the proceeds from the UMDA stock sale to the Fund to be used by defendant **LAWRENCE B. GALLO** for UMDA corporate purposes, and for his own personal benefit. Defendant **LAWRENCE B. GALLO** agreed to make sure that the undisclosed kickback payment to the UCA was promptly remitted after the Fund's purchase of the UMDA stock.

25. The wire communications, as set forth in Counts 2 through 6 of this Indictment, the mailing, as set forth in Count 7 of this Indictment, the securities transaction, as set forth in Count 8 of this Indictment, and the money laundering transaction, as set forth in Count 9 of this Indictment, are incorporated herein and realleged as though restated as individual overt acts done in furtherance of the conspiracy.

All in violation of Title 18, United States Code, Section 371.

COUNTS 2-6WIRE FRAUD

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,  
a/k/a "Doug Rasberry,"  
and  
MICHAEL VLAHOVIC,**

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and deprive others of the intangible right of honest services, and to obtain money and property from others by means of materially false and fraudulent pretenses, representations and promises, knowing that the pretenses, representations and promises were false when made.

3. On or about the dates specified as to each count, the defendants, for the purpose of executing the aforesaid scheme and artifice to defraud and deprive others of the intangible right of honest services, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises did knowingly transmit and cause to be transmitted, by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures and sounds, as more particularly described in each count below:

COUNT	APPROX. DATE	ORIGIN	DESTINATION	DESCRIPTION OF WIRE COMMUNICATION
2	1/16/01	Canada	Boca Raton, Florida	Fax copy of DTC Weekly Security Position Listing for week ending 1/12/01 for UMDA stock

COUNT	APPROX. DATE	ORIGIN	DESTINATION	DESCRIPTION OF WIRE COMMUNICATION
3	1/16/01	Boca Raton, Florida	Canada	Fax copy of UCA's bank account wire transfer instructions
4	1/16/01	Canada	Boca Raton, Florida	Fax copy of defendants' request to wire transfer \$20,000 undisclosed kickback to the UCA's bank account
5	1/17/01	Canada	Miami, Florida	Bank wire-transfer of \$20,000 "test" trade undisclosed kickback to the UCA's bank account
6	1/23/01	Canada	Boca Raton, Florida	Fax copy of DTC Weekly Security Position Listing for week ending 1/19/01 for UMDA stock

All in violation of Title 18, United States Code, Sections 1343, 1346 and 2.

COUNT 7

MAIL FRAUD

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about May 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,  
a/k/a "Doug Rasberry,"  
and  
MICHAEL VLAHOVIC,**

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud and deprive others of the intangible right of honest services, and to obtain money and property from others by means of materially false and fraudulent pretenses, representations and promises, knowing that the pretenses, representations and promises were false when made.

3. On or about January 12, 2001, the defendants, for the purpose of executing the aforesaid scheme and artifice to defraud and deprive others of the intangible right of honest services, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, and attempting to do so, did knowingly cause to be delivered to the UCA in Boca Raton, Florida, by private and commercial interstate carrier, that is, FedEx, according to the directions thereon, two (2) stock certificates numbers 1259 and 1260 for 50,000 shares of Uncommon Media Group, Inc. each in the name of "Michael Patterson," the UCA's undercover name.

All in violation of Title 18, United States Code, Sections 1341, 1346 and 2.

**COUNT 8**

**SECURITIES FRAUD**

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or about November 2000, to in or about January 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,  
a/k/a "Doug Rasberry,"  
and  
MICHAEL VLAHOVIC,**

knowingly and willfully, by the use of means and instrumentalities of interstate commerce, the mails, and the facilities of national securities exchanges, did, directly and indirectly, use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of a security, that is, 7,600 shares of stock in Uncommon Media Group, Inc. (UMDA) to "Connelly & Williams Associates, Inc." and did (a) employ a device, scheme and artifice to defraud; (b) make untrue statements of material facts and omit to state material facts necessary in order to make the

statements made, in light of the circumstances under which they were made, not misleading; and (c) engage in acts, practices and courses of business which would and did operate as a fraud and deceit upon others, in connection with the purchase and sale of said securities.

All in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a); Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18, United States Code, Section 2.

COUNT 9

MONEY LAUNDERING

INTERNATIONAL TRANSPORTATION OF MONETARY INSTRUMENTS

1. The allegations of paragraphs 1 through 7 and 10 through 25 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein.
2. On or about January 17, 2001, at Miami-Dade County and Palm Beach County, in the Southern District of Florida, and elsewhere, the defendants,

**DOUGLAS RASBERRY,  
a/k/a "Doug Rasberry,"  
and  
MICHAEL VLAHOVIC,**

did knowingly transport, transmit, and transfer, and attempt to transport, transmit, and transfer funds, that is, a \$20,000 bank wire-transfer, from a place outside the United States, that is, Canada, to a place in the United States, that is, Miami, Florida, with the intent to promote the carrying on of specified unlawful activity, specifically, wire and mail fraud, in violation of Title 18, United States Code, Sections 1343, 1341 and 1346, and securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

All in violation of Title 18, United States Code, Sections 1956(a)(2)(A) and 2.

A TRUE BILL

Guy A. Lewis  
FOREPERSON

Edward E. Neumayr  
GUY A. LEWIS  
UNITED STATES ATTORNEY

Eric J. Bustillo  
ERIC I. BUSTILLO  
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES OF AMERICA

v.

DOUGLAS RASBERRY, et al.,

08-20637-CR-MOORE

## CERTIFICATE OF TRIAL ATTORNEY AND STAFF JUDGE

Superseding Case Information: O'SULLIVAN

New Defendant(s) Yes \_\_\_\_\_ No \_\_\_\_\_  
 Number of New Defendants \_\_\_\_\_  
 Total number of counts \_\_\_\_\_

Court Division: (Select One)

Miami \_\_\_\_\_ Key West \_\_\_\_\_  
 FTL \_\_\_\_\_ WPB \_\_\_\_\_ FTP \_\_\_\_\_

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) \_\_\_\_\_ No \_\_\_\_\_  
 List language and/or dialect \_\_\_\_\_

4. This case will take 12 days for the parties to try.

5. Please check appropriate category and type of offense listed below:  
 (Check only one) \_\_\_\_\_ (Check only one) \_\_\_\_\_

I	0 to 5 days	Petty	_____
II	6 to 10 days	Minor	_____
III	11 to 20 days	Misdem.	_____
IV	21 to 60 days	Felony	_____
V	61 days and over		

6. Has this case been previously filed in this District Court? (Yes or No) \_\_\_\_\_ No \_\_\_\_\_

If yes:

Judge: \_\_\_\_\_ Case No. \_\_\_\_\_

(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) \_\_\_\_\_ No \_\_\_\_\_

If yes:

Magistrate Case No. \_\_\_\_\_

Related Miscellaneous numbers: \_\_\_\_\_

Defendant in federal custody as of \_\_\_\_\_

Defendant(s) in state custody as of \_\_\_\_\_

Rule 20 from the \_\_\_\_\_ District of \_\_\_\_\_

Is this a potential death penalty case? (Yes or No) \_\_\_\_\_ No \_\_\_\_\_

7. Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999?  Yes \_\_\_\_\_ No \_\_\_\_\_ If yes, was it pending in the Central Region?  Yes \_\_\_\_\_ No \_\_\_\_\_

8. Did this case originate in the Narcotics Section, Miami?  Yes \_\_\_\_\_  No \_\_\_\_\_

*Eric I. Bustillo*  
 ERIC I. BUSTILLO  
 ASSISTANT UNITED STATES ATTORNEY  
 Florida Bar No. 831093

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

02-20637 CR-MOORE

Defendant's Name: DOUGLAS RASBERRY

Case No:

Count: 1

MAGISTRATE JUDGE  
O'SULLIVAN

Conspiracy

18 U.S.C. § 371

\*Max. Penalty: 5 years of imprisonment

=====

Counts: 2-6

Wire Fraud

18 U.S.C. §§ 1343 & 1346

\*Max. Penalty: 5 years of imprisonment

=====

Count: 7

Mail Fraud

18 U.S.C. §§ 1341 & 1346

\*Max. Penalty: 5 years of imprisonment

=====

Count: 8

Securities Fraud

15 U.S.C. §§ 78j(b) & 78ff(a)

\*Max. Penalty: 10 years of imprisonment

=====

Count: 9

Money Laundering

18 U.S.C. § 1956(a)(2)(A)

\*Max. Penalty: 20 years of imprisonment

=====

\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

~~PENALTY SHEET~~

02/20/02 637CR-MOORE

Defendant's Name: MICHAEL VLAHOVIC Case No: \_\_\_\_\_

Count: 1

MAGISTRATE JUDGE  
O'SULLIVAN

Conspiracy

18 U.S.C. § 371

\*Max. Penalty: 5 years of imprisonment

Counts: 2-6

Wire Fraud

18 U.S.C. §§ 1343 & 1346

\*Max. Penalty: 5 years of imprisonment

Count: 7

Mail Fraud

18 U.S.C. §§ 1341 & 1346

\*Max. Penalty: 5 years of imprisonment

Count: 8

Securities Fraud

15 U.S.C. §§ 78j(b) & 78ff(a)

\*Max. Penalty: 10 years of imprisonment

Count: 9

Money Laundering

18 U.S.C. § 1956 (a)(2)(A)

\*Max. Penalty: 20 years of imprisonment

\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.



UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
PENALTY SHEET

00637 CR-MOORE

Defendant's Name: LAWRENCE W. GALLO Case No: \_\_\_\_\_  
Count: 1 MAGISTRATE JUDGE  
O'SULLIVAN

Conspiracy

18 U.S.C. § 371

\*Max. Penalty: 5 years of imprisonment

=====

Count:

\_\_\_\_\_

\*Max. Penalty:

=====

\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.